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7	WARKTEATHERS		
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10	UNITED STATES DISTRICT COURT		
11	FOR THE NORTHERN DISTRICT OF CALIFORNIA		
12			
13 14	SECURITIES AND EXCHANGE)		
15	COMMISSION,) Plaintiff,)	Case No. 5:12-cv-03237-EJD	
16	vs.		
	SMALL BUSINESS CAPITAL CORP.; MARK)	STIPULATION AND [PROPOSED] ORDER PARTIALLY MODIFYING	
18	FEATHERS; INVESTORS PRIME FUND, LLC;) and SBC PORTFOLIO FUND, LLC,	PRELIMINARY INJUNCTION	
19)		
20	Defendants.)		
21)		
22	,		
23			
24			
25			
26			
27			
28		Case No. 5:12-cv-03237-EJD	
	STIPULATION & [PROPOSED] ORDER PARTIALLY MODIFYING PRELIMINARY INJUNCTION		

1	Whereas, plaintiff Securities and Exchange Commission ("Commission") commenced this	
2	action against defendant Mark Feathers ("Feathers"), and three entities he controlled – defendant	
3	Small Business Capital Corp. ("SB Capital") and two mortgage investment funds SB Capital and	
4	Feathers managed, defendant Investors Prime Fund, LLC ("IPF") and SBC Portfolio Fund, LLC	
5	("SPF"); and	
6	Whereas, on June 26, 2012, the Court entered a Temporary Restraining Order and Orders:	
7	(1) Freezing Assets, (2) Prohibiting the Destruction of Documents, (3) Granting Expedited	
8	Discovery, (4) Requiring Accountings, and (5) Appointing a Temporary Receiver; and Order to	
9	Show Cause re Preliminary Injunction and Appointment of a Permanent Receiver ("TRO Order")	
10	(Docket No. 16); and	
11	Whereas, Feathers did not contest the entry of a preliminary injunction and appointment of	
12	a permanent receiver over SB Capital, IPF, and SPF, and consented to the entry of a Preliminary	
13	Injunction and Orders: (1) Freezing Assets; (2) Prohibiting Destruction of Documents; (3)	
14	Requiring Accountings; and (4) Appointing a Permanent Receiver; and	
15	Whereas, on July 10, 2012, the Court entered a Preliminary Injunction and Orders: (1)	
16	Freezing Assets; (2) Prohibiting Destruction of Documents; (3) Requiring Accountings; and (4)	
17	Appointing a Permanent Receiver ("PI Order") (Docket No. 34); and	
18	Whereas, Paragraph VI of the PI Order continued the freeze, first imposed by the TRO	
19	Order, on all monies and assets of Feathers, but provided that funds could be released for Feathers	
20	necessary and reasonable living expenses only upon good cause shown by application to the Court	
21	with notice to and an opportunity for Commission to be heard; and	
22	Whereas, counsel for Feathers and counsel for the Commission have met and conferred	
23	about Feathers' request to release monies and assets of Feathers to allow him to pay for necessary	
24	and reasonable living expenses;	
25	Now, therefore, the Commission and Feathers stipulate and agree, and ask the Court to	
26	order, that that PI Order be partially modified to release from the asset freeze the following assets	
27	of Feathers for him to pay for necessary and reasonable living expenses: (1) the 2009 KTM 200FX	
28	motorcycle so that Feathers can sell the motorcycle and use the proceeds to pay for necessary and	
	-2- Case No. 5:12-cv-03237-EJD STIPULATION & [PROPOSED] ORDER PARTIALLY MODIFING PRELIMINARY INJUNCTION	

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1	reasonable living expenses; and (2) the 2011 Cadillac Escalade EXT so that Feathers may surrender		
2	the vehicle to the lender and no longer be obligated to make monthly payments toward the purchase		
3	3 of the vehicle.	of the vehicle.	
4	4 IT IS SO STIPULATED.		
5		ALIMIA CEN O DODDENLLD	
6	6 Dated: October 16, 2012 BR	RAUNHAGEY & BORDEN LLP	
7			
8	8 By	: /s Mark P. Fickes	
9	9	Attorneys for Defendant Mark Feathers	
10			
11	Dated: October 16, 2012 SE	CURITIES AND EXCHANGE COMMISSION	
12		· /o	
13	3 By	: /s John B. Bulgozdy	
14	4	Attorneys for Plaintiff Securities and Exchange Commission	
15	5	Exchange Commission	
16	6		
17	Filer's attestation: Pursuant to General Oder No. 45.X.B, counsel for Mark Feathers attests that		
18	8 concurrence in the filing of this document has b SEC.	een obtained from John B. Bulgozdy, counsel for	
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28	8	-3- Case No. 5:12-cv-03237-EJD	
	STIPULATION & [PROPOSED] ORDER PART	TIALLY MODIFING PRELIMINARY INJUNCTION	

[PROPOSED] ORDER The Court has considered the stipulation of the SEC and Mr. Feathers and finds good cause to order that the PI Order be partially modified to release from the asset freeze the following assets of Feathers for him to pay for necessary and reasonable living expenses: : (1) the 2009 KTM 200FX motorcycle so that Feathers can sell the motorcycle and use the proceeds to pay for necessary and reasonable living expenses; and (2) the 2011 Cadillac Escalade EXT so that Feathers may surrender the vehicle to the lender and no longer be obligated to make monthly payments toward the purchase of the vehicle. IT IS SO ORDERED. Dated: October , 2012 Edward J. Davila UNITED STATES DISTRICT JUDGE Case No. 5:12-cv-03237-EJD